

Whitman Middle School

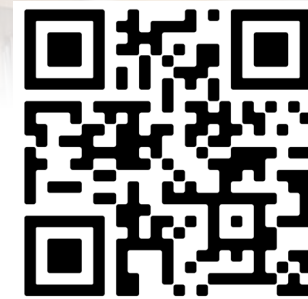
School Building Committee // August 28, 2023

Agenda

- // Review of SD Costs & Approval
- // Possible Actions to Move Forward
- // Next Steps & Timeline

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Whitman Middle School
Project Website



Review of SD Costs & Approval



Comparison of PSR & SD Taxpayer Impacts

\$170.41/year LESS than PSR Approximation

	New Construction @ PSR	New Construction @ SD
Total Project Cost	\$127,467,263	\$135,289,672
Estimated Town Share	\$67.1 mil - \$73.1 mil	\$89.6 mil

	Impact to the Whitman Taxpayer	
Average Annual Increase per Home (Over a 30-year Bond)	\$1,188.00 /yr \$99.00 /month	\$1,017.53 /yr \$84.79 /month

	Difference
PSR Taxpayer Impact	\$1,188.00
SD Taxpayer Impact	- \$1,017.53
<i>Difference</i>	\$170.47

The average taxpayer impact at SD is \$170.47/yr less than previously reported at PSR

Budget Statement

The Base Total Project Budget for the New Construction Option 9b is projected to be \$127.5M with a Maximum Total Project Budget of \$138.8M if all alternates are taken per the budget chart. There are six identified alternates that will be further reviewed during the Schematic Design phase.

At this early stage of development, known items categorically or likely ineligible for MSBA reimbursement include: site costs exceeding the MSBA cap, building costs exceeding the MSBA cap, the auditorium, technology equipment exceeding the MSBA cap, and contingency expenditures above MSBA reimbursements.

Based on early budgeting, the projected cost for the new Whitman Middle School could be in the order of \$138.8M exclusive of MSBA reimbursement. The Town of Whitman Moody's rating is Aa3 and debt is well within recommended levels. The most recent debt issue is for updates to the Town's sewer system and that debt is serviced by revenue raised from user fees. The town maintains healthy reserves and payment for this debt will be based on a Proposition 2½ debt exclusion override. The Town is also engaged in plans for a new DPW building. The DPW project will be paid for, in part, by a Proposition 2½ debt exclusion override and the anticipated Town Meeting and Ballot Vote on the DPW project is May 2023. There are no other projects the Town is currently engaged in.

Based on preliminary calculations, the impact to the average taxpayer for the new Whitman Middle School project would be an approximate increase of \$99 per month.

Whitman Middle School // A13 Architects, LLC

Budget Chart

Building Construction	\$60,204,036.00
Site Construction, Building Demolition, & Haz. Mat. Removal	\$12,800,000.00
Contingencies	\$8,844,278.00
Escalation	\$8,384,099.00
Markups	\$11,764,850.00
Construction Total	\$101,997,263.00
All Soft Costs: <i>Consultant Fees, Administrative Costs, FF&E, Technology</i>	\$25,500,000.00
Base Total Project Budget	\$127,497,263.00
Add Alternates: <i>CMr, Town Baseball/Softball/Soccer Fields, Concessions, On-site Renewable Energy</i>	\$11,300,000.00
Maximum Total Project Budget	\$138,797,263.00

The Town of Whitman remains committed to providing the necessary financial resources to fund the

" Based on preliminary calculations, the impact to the average taxpayer for the new Whitman Middle School project would be an approximate increase of \$99 per month."

Potential Tax Adjustments

Analysis Presented at the 8/22 Select Board Meeting

	Base Repair (30 yr)*	Base Repair (20 yr)*	New Construction (30 yr)
Total Project Cost	\$60,300,000	\$60,300,000	\$135,289,672
MSBA Max Grant	\$0	\$0	\$45,605,539
Estimated Town Share	\$60,300,000	\$60,300,000	\$89,684,133

* Useful life expectancy of a base repair is 25-30 years

Base Repair based on 3-year construction period; may increase as duration increases

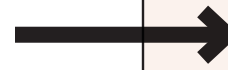


	Impact to the Whitman Taxpayer		
Bond Length	30 years	20 years	30 years
Bond Type	Level Principal	Level Principal	Level Principal

higher up front, overall long term saving

Interest Rate	5.50%	5.50%	5.50%
Avg. Assessed Home Value	\$420,530	\$420,530	\$420,530
Average Increase per Home (Over Bond Length)	\$682.38 /yr \$56.87 /month	\$894.66 /yr \$74.56 /month	\$1,017.53 /yr \$84.79 /month

Delta per year



\$122.87

Compared to the 20-yr Base Repair, Whitman would have a **new school for \$122.87 more per year**

Comparison of Base Repair vs. New Construction

The benefits of New Construction go beyond financial considerations

Base Repair

Doing nothing DOES NOT COST nothing








For \$895 / year:

- // **DOES NOT** include renovation work, upgrades only to meet code
- // **DOES NOT** make improvements to meet the needs of the Educational Program
- // **DOES NOT** change the Grade Configuration (remains 6-8)
- // **DOES NOT** add necessary space for Special Education programs
- // **DOES NOT** create parity between district middle schools
- // **DOES NOT** provide academic and extracurricular opportunities for the 5th graders that aren't available at the elementary school level

New Construction

Creates a campus of academic, social, & community resources

For \$122.87 more / year:

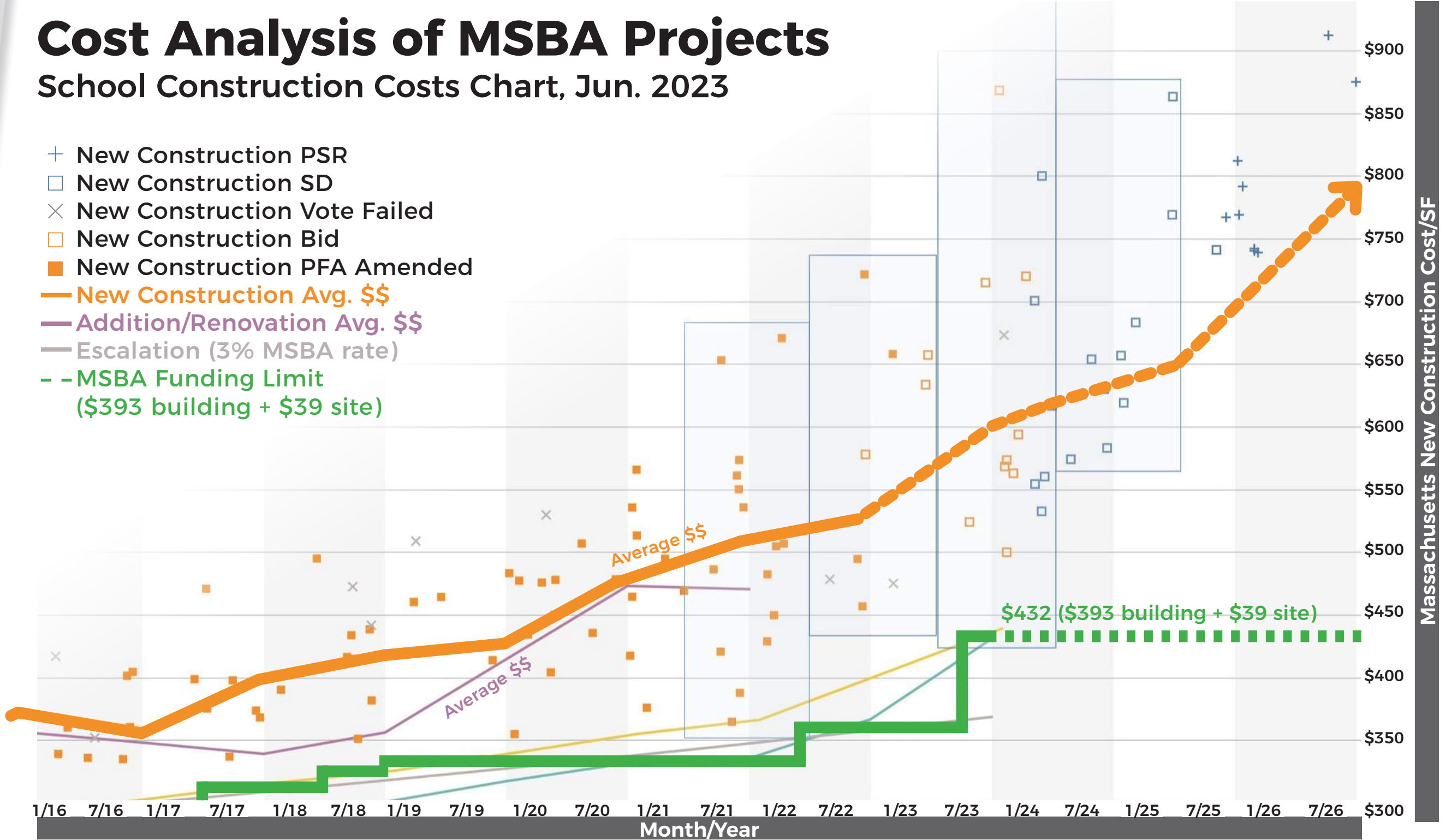
- // Whitman has a new energy efficient & code compliant school for the next 50+ years!
-  // Meets the needs of the Educational Program & fulfills curriculum standards/guidelines
- // Meets the needs of the Special Education Program
- // Includes Grade 5 to create parity between district middle schools 
- // Includes the oversized Gym & Multi-purpose Room
-  // Includes an Auditorium
- // Reduces operating costs
- // Improves traffic flows on site
- // Includes 4 new athletic fields, concessions stand, & half-size basketball court 
-  // Grants 5th graders new academic & extracurricular opportunities
- // Includes natural walking path for community use 
- // Includes outdoor learning areas & community plazas
- // Allows for participation in rebates & incentive programs related to energy efficiency 

...and more!

Cost Analysis of MSBA Projects

School Construction Costs Chart, Jun. 2023

- + New Construction PSR
- New Construction SD
- × New Construction Vote Failed
- New Construction Bid
- New Construction PFA Amended
- New Construction Avg. \$\$
- Addition/Renovation Avg. \$\$
- Escalation (3% MSBA rate)
- - MSBA Funding Limit (\$393 building + \$39 site)



Massachusetts New Construction Cost/SF

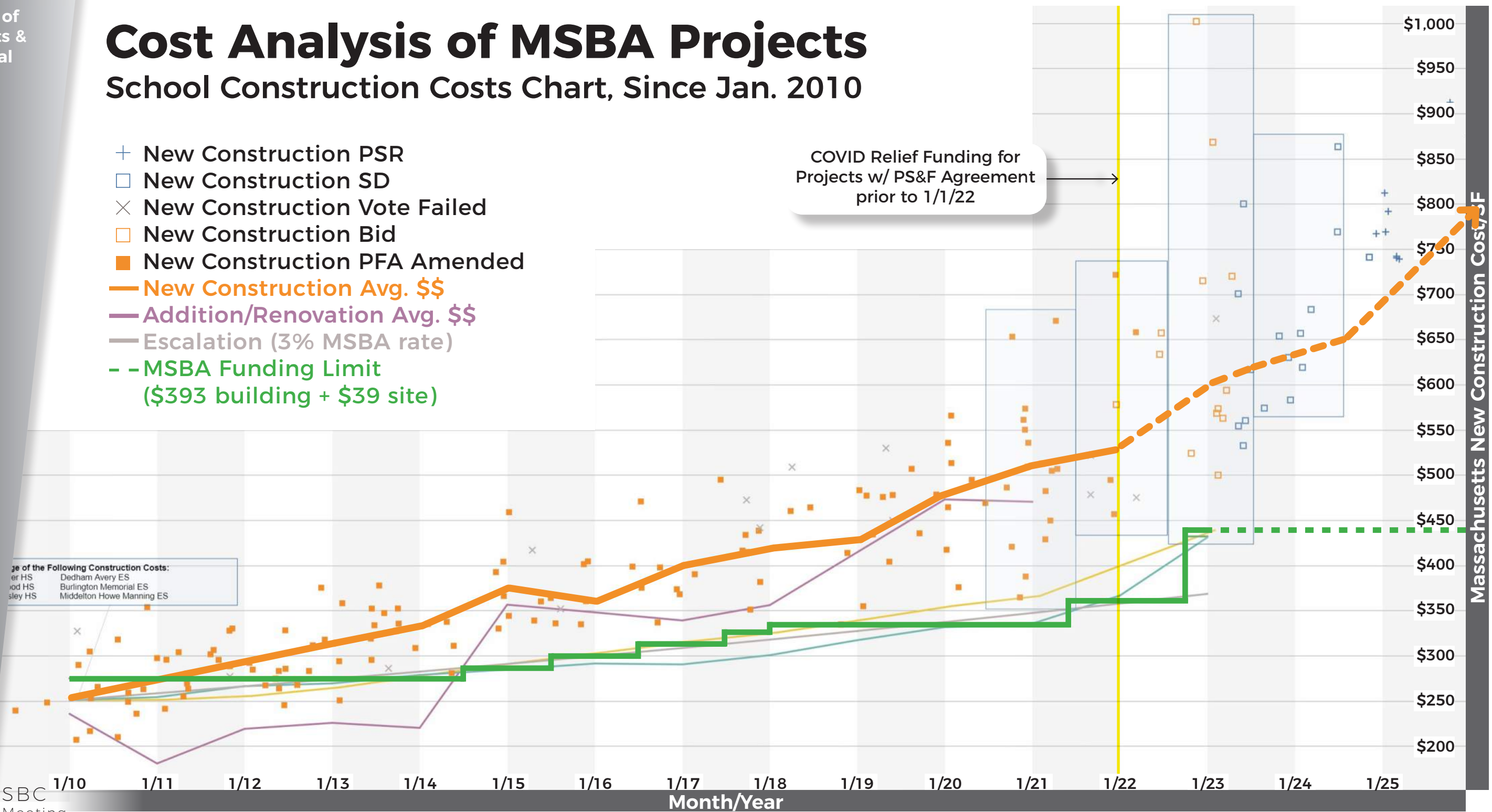
Cost Analysis of MSBA Projects

School Construction Costs Chart, Since Jan. 2010

- + New Construction PSR
- New Construction SD
- × New Construction Vote Failed
- ◻ New Construction Bid
- New Construction PFA Amended
- New Construction Avg. \$\$
- Addition/Renovation Avg. \$\$
- Escalation (3% MSBA rate)
- - MSBA Funding Limit (\$393 building + \$39 site)

COVID Relief Funding for Projects w/ PS&F Agreement prior to 1/1/22

Some of the Following Construction Costs:
 ...er HS
 ...od HS
 ...sley HS
 Dedham Avery ES
 Burlington Memorial ES
 Middelton Howe Manning ES



Other Factors Influencing Cost

In addition to MSBA data, other possible factors include...

**Legislature
& Additional
Funding
Post-COVID**

**Interest Rates
Climbing w/
Expectation of
Market Slowing**

**Increased
Construction
Pricing Since
PSR Estimates**

**OPM & Designer
Caps of \$550
(Larger burden
on Town)**

**Construction
Costs Rising at
a Faster Rate
than the MSBA
Funding Limit**

**What can we do to
move forward?**

Cost Analysis of MSBA Projects (New Construction)

Anticipated vs. Actual Reimbursement at Project Scope & Budget Agreement (PS&B)

School	MA Location	Phase	GC/GMP Date	Anticipated Reimbursement w/ Incentives	Actual Reimbursement at PS&B	Delta Between Anticipated & Actual
Coakley Middle School	Norwood	CA	MAR 2023	54.34%	30.8%	23.54%
Watertown High School	Watertown	CA	MAR 2023	49.33%	22.5%	26.83%
William Foster Elementary School	Hingham	CA	MAY 2023	40.54%	22.0%	18.54%
Lynch Elementary School	Winchester	CD	OCT 2023	36.21%	21.4%	14.81%
Tyngsborough Middle School	Tyngsborough	CD	DEC 2023	58.61%	34.3%	24.31%
<i>Average Delta</i>						21.61%
Whitman Middle School	Whitman	PSR	FEB 2025	63.31%	42.44%	20.87%

Project Data Available at time of Whitman PSR Estimates

Consentino Middle School	Haverhill	SD	MAR 2024	79.84%	43.92%	35.92%
Wakefield Memorial High School	Wakefield	SD	JUN 2024	53.14%	23.6%	29.54%
Fort River Elementary School	Amherst	SD	JUN 2024	71.70%	43.73%	35.92%
Nashoba Regional High School	Bolton	SD	OCT 2025	53.09%	26.12%	26.97%
<i>Average Delta</i>						32.09%
Whitman Middle School	Whitman	SD	FEB 2025	63.31%	33.71%	29.60%

Project Data Since Whitman PSR Estimates

Possible Actions to Move Forward



Possible Actions to Reduce Scope

A Tiered Approach to Reduce Total Project Cost

Minimal Impact

Tier 1

No impact on program and building performance

Includes:

- // Reduced Owner's Contingency
- // Reduced Construction Contingency
- // Reduced FF&E Budget

Impact:

- // Increases risk
- // Reduces cost

Moderate Impact

Tier 2

Some impact on program and building performance

Includes:

- // Removal of the Auditorium
- // Removal of the Gymnasium area in excess (800 sf)
- // Removal of Teacher Planning area in excess (340 sf)
- // Accept Construction VE items w/ low impact to building

Impact:

- // Does not fulfill the Educational Program previously outlined
- // Reduces cost

High Impact

Tier 3

Substantial impact on program and building performance

Includes:

- // Removal of Tier 2 Items
- // Removal of Grade 5
- // Accept all Construction VE items

Impact:

- // Does not fulfill the Educational Program previously outlined
- // Reduces cost

Tiers 1-3: Summary of Possible Actions & Impacts

General Notes:

// Values are Rough Order of Magnitude Cost for purpose of discussion

// Adjustments were done using the average \$770/sf and a 1.49 Grossing Factor

// Savings cannot be cumulative based on the complexities of the MSBA's 3011 form and funding caps

Item #	Description
0.0	Current Whitman Middle School Project
Tier 1 Items (Minimal impact to Program/Operation; Could effect Risk profile)	
1.1	Adjusting the Total Contingency Down from 9% to 7% <i>HCC (5% to 4%) and SCC (4% to 3%)</i>
1.2	FFE Adjustment back to the MSBA Standards
1.3	Reconsideraton of the Stage Area (move into elegeible Area)
Tier 2 Items Could have some impact to Program/Operation; Could effect Risk profile	
2.1	Eliminate the Auditorium, create a Cafetorium <i>Notes: Delete 6,100 nsf auditrrium add in 1,600 nsf platform @ Cafeteria</i>
2.2	Reduce the PE Space to the MSBA Standard Size <i>Notes: 3,200 nsf</i>
2.3	Reduce Teacher Planing Area to the MSBA Standard <i>Notes: 340 nsf</i>
2.4	Eliminate the Outdoor storage (MSBA Standard) <i>Notes: 250 nsf</i>
Tier 3 Items Substantial Impact to the Program/Operations; Could effect Risk profile	
3.1	Target Construction (Building & Site) VE of \$1,000,000
3.2	Grade Configuration adjusted from 5-8 to 6-8 (enrollment from 675 to 515) <i>Notes: Assumption is that the GSF reduces by 19,221 sf (±14%)</i>

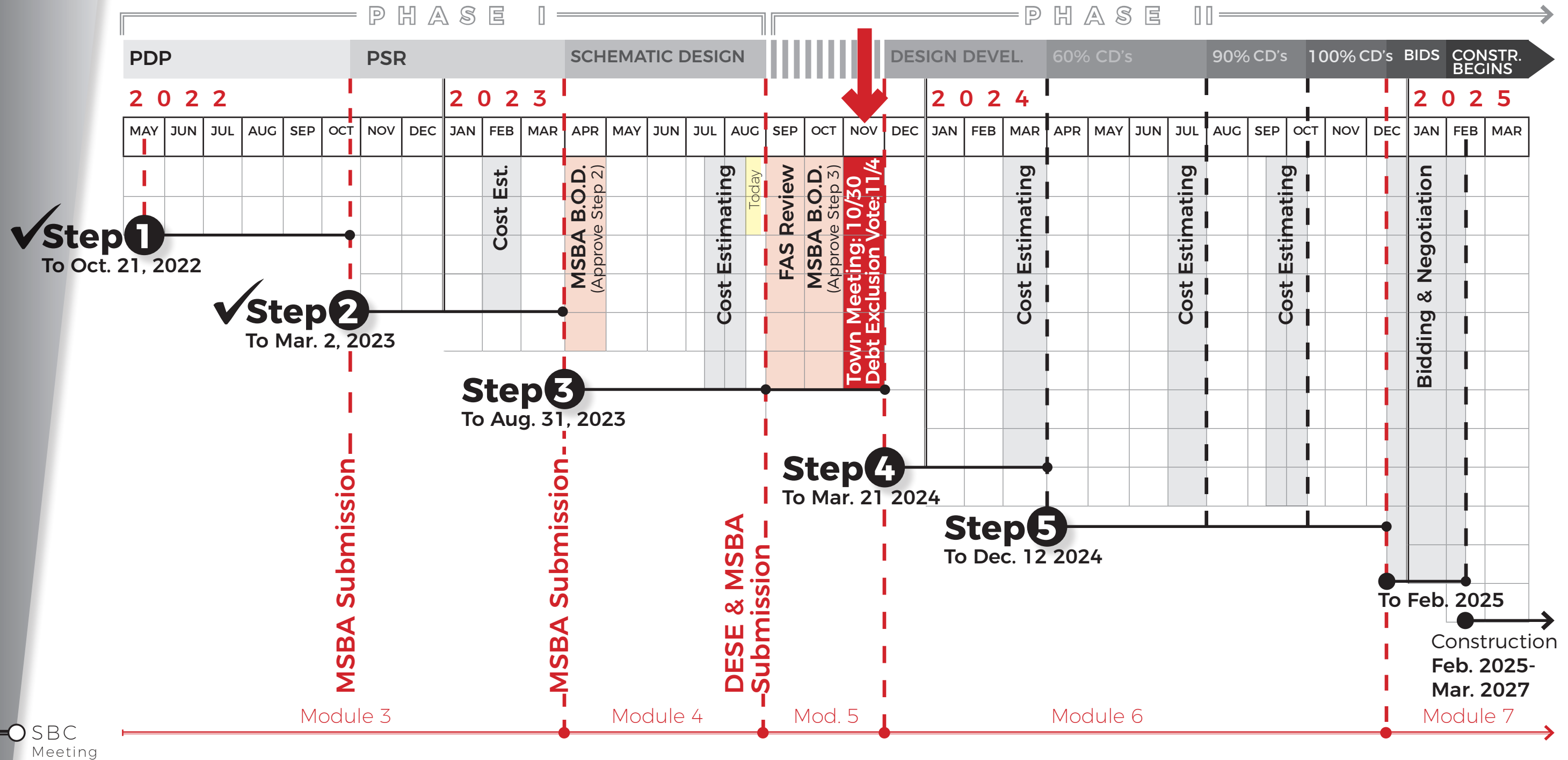
COSTS

Total Project Cost	Construction Cost	Town %	Tax \$/yr Ave. Home	Town Savings
\$135,289,672	\$106,669,882	\$89,684,133	\$1,017.59	
\$133,156,274	\$106,669,882	\$87,550,735		\$2,133,398
		\$2,133,398	(\$24.21)	
\$134,479,672	\$106,669,882	\$88,874,133		\$810,000
		\$810,000	(\$9.19)	
\$135,289,672	\$106,669,882	\$89,029,918		\$654,215
		\$654,215	(\$7.42)	
\$128,965,181	\$101,507,032	\$80,882,332		\$8,801,801
	\$5,162,850	\$8,801,801	(\$99.87)	
\$130,792,256	\$102,998,522	\$85,360,804		\$4,323,329
	\$3,671,360	\$4,323,329	(\$49.05)	
\$134,811,822	\$106,279,800	\$89,230,941		\$453,192
	\$390,082	\$453,192	(\$5.14)	
\$134,938,311	\$106,383,057	\$89,357,430		\$333,230
	\$286,825	\$326,703	(\$3.71)	
\$134,064,672	\$105,669,882	\$88,462,728		\$1,221,405
	\$1,000,000	\$1,221,405	(\$13.86)	
\$116,551,064	\$91,869,712	\$78,006,753		\$11,677,380
	\$14,800,170	\$11,677,380	(\$132.50)	

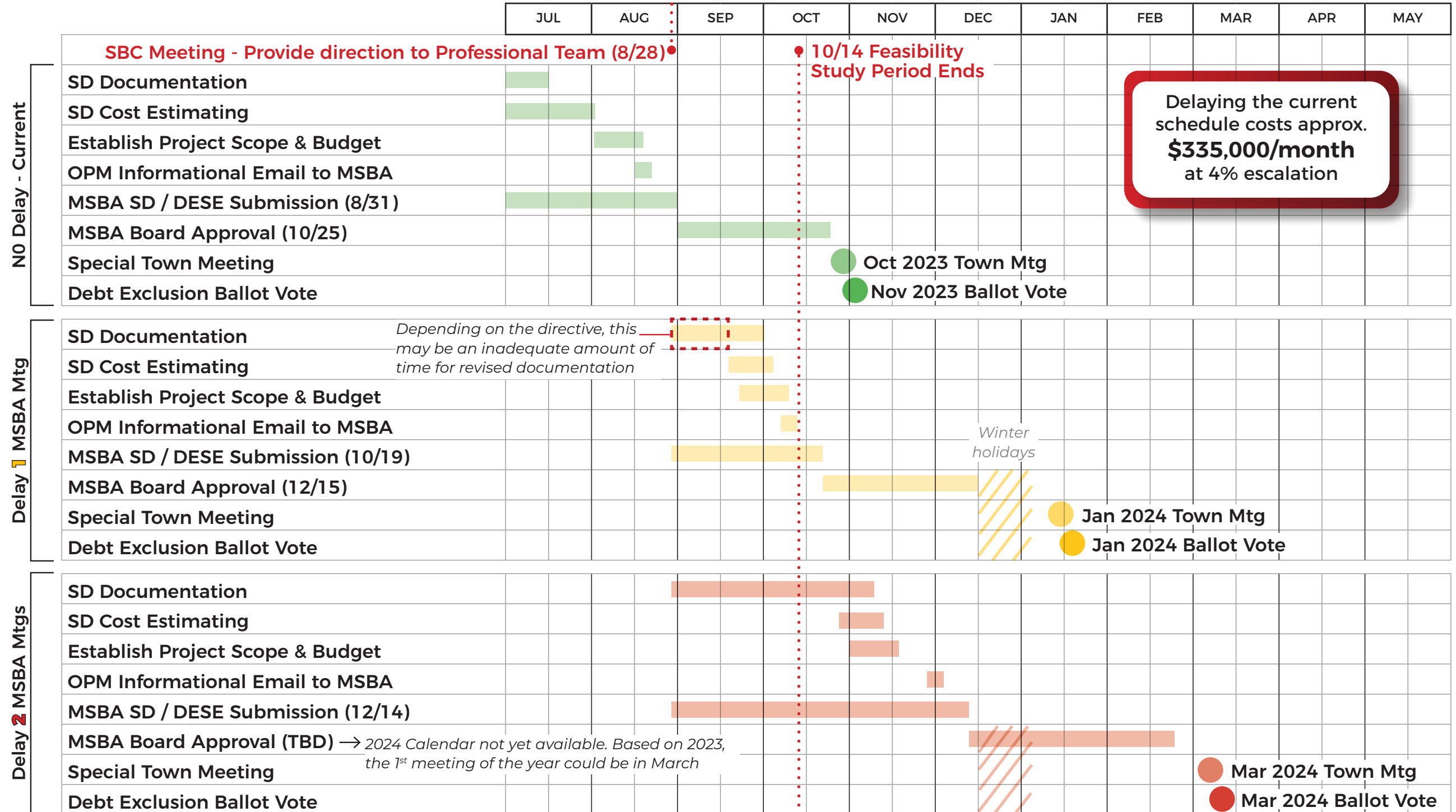
Schedule & Next Steps



WMS Project Current Schedule Overview



WMS Project Current Schedule vs. Delay 1 & Delay 2



Likely won't delay current schedule:
 // Item 1.1
 // Item 1.2
 // Item 1.3

Likely require delay by 1 board mtg:
 // Item 2.3
 // Item 2.4

Likely require delay by 2 board mtgs:
 // Item 2.1
 // Item 2.2
 // Item 3.1
 // Item 3.2
 Any combination of Tier 2 & 3 items

Delaying the current schedule costs approx. **\$335,000/month** at 4% escalation



Questions?

Thank you

www.wmsproject.org

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Project Website**

